

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF EUREKA INVESTMENTS,)	
INC. D/B/A RESORT WATER COMPANY TO)	
TRANSFER OWNERSHIP AND ASSETS TO THE)	CASE NO. 92-070
ELK LAKE PROPERTY OWNERS ASSOCIATION)	

O R D E R

On March 12, 1992, Eureka Investments, Inc. ("Eureka") filed an application for Commission approval to transfer ownership of Eureka to Elk Lake Property Owners Association, Inc. ("Elk Lake"). By letter dated February 26, 1992, Eureka was notified by the Commission that its application did not meet certain filing requirements. On March 12, 1992, Eureka filed the requested information, with the exception of the adoption notice which was filed by Elk Lake on March 24, 1992. Together this cured all the deficiencies and the application was considered filed as of March 24, 1992.

Having reviewed the application, evidence of record, and being otherwise sufficiently advised, the Commission finds that:

1. The owner of the Resort Water Company has agreed to sell and Elk Lake has agreed to purchase the Resort Water Company and all its assets for a total price of \$205,000.

2. An asset purchase contract was executed on January 12, 1992, which by its stated terms is contingent upon Commission approval of the transfer.

3. Elk Lake will employ the same certified plant operator, who was employed by Eureka, to continue to operate the plant.

4. As of December 31, 1990, Elk Lake had assets of \$126,496 and reported current and accrued liabilities of \$29,791.

5. Elk Lake has the financial, managerial, and technical abilities to provide reasonable utility service to the customers of the Resort Water Company.

6. Elk Lake should maintain its books of account in accordance with the Uniform System of Accounts for Water Utilities prescribed by the Commission.

IT IS THEREFORE ORDERED that:


1. The proposed transfer be and it hereby is approved.

2. Elk Lake shall file journal entries reflecting its accounting of the transfer within 30 days of the date of this Order. The transfer shall be recorded on the books of Elk Lake in accordance with Finding 6 herein.

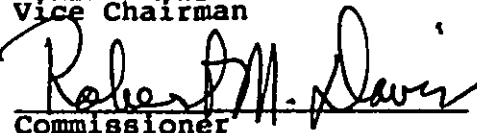
3. Within 10 days of the date of this Order, Elk Lake shall file with the Commission the tariff of the predecessor utility in its own name.

Done at Frankfort, Kentucky, this 30th day of March, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director